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UNITED STATES
SECURITIES AND EXCHANGE
Washington, D.C. 20547

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ANNUAL AUDITED REPORT
FORM X-17A-5
PART III

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FACING PAGE
Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-3 Thereunder

REPORT FOR THE PERIOD BEGINNING Jan 1, 2011 AND ENDING Dec 31, 2011
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Delta Equity Services Corporation

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

579 Main St

(No. and Street)

Bolton

(City)

MA

(State)

01740

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Eugene Hayes (978) 779-5361 Ext 2220

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Paolilli, Jarek and DerAnanian LLC

(Name - if individual, state last, first, middle name)

319 Littleton Road

(Address)

Westford

(City)

MA

(State)

01886

(Zip Code)

CHECK ONE:

☒ Certified Public Accountant

☐ Public Accountant

☐ Accountant not resident in United States or any of its possessions.

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*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

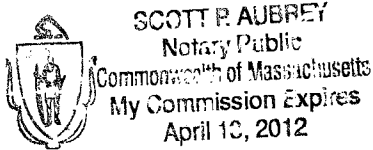
SEC 1410 (06-02)

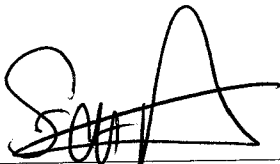
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OATH OR AFFIRMATION

I, Eugene Hayes, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Delta Equity Services Corporation, as of December 31, 2011, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:




Notary Public


Signature
Financial & Operations Principal
Title

This report ** contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☐ (c) Statement of Income (Loss).
- ☐ (d) Statement of Changes in Financial Condition.
- ☐ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☐ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☐ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

****For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).**

DELTA EQUITY SERVICES CORPORATION

BALANCE SHEETS

As of December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Assets:		
Current Assets:		
Cash and cash equivalents	\$ 2,259,577	\$ 2,453,795
Receivables from clearing brokers	66,117	28,537
Receivables from others	5,356	195,733
Notes receivable	14,724	47,547
Other Investments	0	321
Deferred charges	33,547	8,645
Deposits	5,000	0
Total Current Assets	<u>2,384,321</u>	<u>2,734,578</u>
Fixed assets, net	182,364	14,560
Cash - clearing deposit	114,965	114,914
Notes receivable - non-current	0	14,569
Deposits - non-current	66,181	0
Total Assets	<u>\$ 2,747,831</u>	<u>\$ 2,878,621</u>
Liabilities and Stockholder's Equity:		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 287,081	\$ 287,326
Accounts payable - related party	56,129	147,734
Commissions payable - registered representatives	1,031,766	1,174,495
Deferred revenue	24,478	38,728
Accrued income taxes	0	15,111
Commissions payable - related party	7,455	3,577
Total Current Liabilities	<u>1,406,909</u>	<u>1,666,971</u>
Stockholder's Equity:		
Common stock, no par; 1,250 shares authorized, 796 shares outstanding	4,820	4,820
Retained earnings	<u>1,336,102</u>	<u>1,206,830</u>
Total Stockholder's Equity	<u>1,340,922</u>	<u>1,211,650</u>
Total Liabilities and Stockholder's Equity	<u>\$ 2,747,831</u>	<u>\$ 2,878,621</u>

The accompanying notes are an integral part
of these financial statements.